



TODD STAPLES, COMMISSIONER

TEXAS DEPARTMENT OF AGRICULTURE
2015 YOUNG FARMER GRANT PROGRAM
REQUEST FOR APPLICATION

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Please read all materials before preparing and submitting the application. Failure to follow the instructions and requirements described in this Request for Application (RFA) may result in the disqualification of the application.

Statement of Purpose

Pursuant to the Texas Agriculture Code, Section 58.091, the Texas Department of Agriculture (TDA) is requesting applications for the Young Farmer Grant (YFG) program. The YFG is administered by TDA under the direction of the Texas Agricultural Finance Authority (TAFA). The purpose of this program is to provide financial assistance in the form of dollar-for-dollar matching grant funds to those persons 18 years or older but younger than 46 years of age that are engaged or will be engaged in creating or expanding an agricultural business in Texas.

TAFA's Young Farmer Grant Program aims to:

- Grow and support Texas agriculture - so as not to have to ship products from other states, including deficit commodities;
- Help grow an operation that also impacts the community; and
- Help meet a financial need that is otherwise not met.

Projected Timeline of Events

Application Availability	September 2014
Application Deadline	October 20, 2014
Award Announcements	December 2014
Start Date of Project	January 1, 2015
End Date of Project	December 31, 2016

Eligibility

Grant applications will be accepted from any person 18 years or older, but younger than 46 years of age as of the time of the grant award, who is engaged or will be engaged in creating or expanding agriculture in Texas. The applicant must be able to make dollar-for-dollar matching expenditures to sustain, create or expand the proposed project.

Grantee Responsibilities and Accountability

Selected applicants (grantees) will be responsible for the conduct of the project supported by the Young Farmer Grant Program and for the results achieved. Each grantee shall monitor the day-to-day performance of the grant project to assure adherence to statutes, regulations, and grant terms and conditions. The grantee must carry out the activities described in the approved scope of work.

The grantee will be accountable for documenting the use of grant funds and must ensure funds are used solely for authorized purposes. This includes both TDA awarded funds and funds used to achieve the required match. The grantee must ensure:

- Funds are used only for activities covered by the approved project.
- Funds are not used in violation of the restrictions and prohibitions of the grant agreement or applicable law.
- All budget and performance reports are completed in a timely manner.

Each grantee must ensure they have an adequate accounting system in place and good internal controls to ensure expenditures and reimbursements are properly reported to TDA. Complete records relating to the project, including accounting records, financial records, progress reports and other documentation, must be maintained for three (3) years after the conclusion of the project or longer if required by TDA.

Funding Parameters

Selected grantees will receive funding for their projects on a cost reimbursement basis. Funds will not be advanced to grantees. Selected grantees must have the financial capability to pay all costs upfront.

The TAFA Board of Directors (board) anticipates total funding of \$150,000 will be available for grant awards of not less than \$5,000 and or more than \$10,000 for each grantee selected to receive an award under the program. Recipients will have up to two years to complete their projects and seek reimbursement for allowable grant expenses, as authorized by the approved project budget.

The TAFA board reserves the right to fully or partially fund any particular grant application. The grant award does not include required Grantee Matching Funds.

Grantees will be required to meet a 1:1 match. For every dollar requested, the grantee must show expenditure, prior to reimbursement, of at least an equal amount of Grantee Matching Funds from allowable sources. Awards are subject to the availability of funds. If funds are not appropriated or collected for this purpose, applicants will be informed accordingly.

Term of Funding or Duration of Projects

A notice of grant award is anticipated to be made in December 2014. All approved projects have an anticipated start date of January 1, 2015 and must be completed by December 31, 2016.

Application Requirements

Form Requirements

To be considered, applications must be complete and submitted on Form GTBD-108. An application and information can be downloaded from TDA's Grants Office under the Grants and Services tab at www.TexasAgriculture.gov.

Budget Information

1. Payment. *This grant will be paid on a cost reimbursement basis after proportionate matching funds have been documented and expended.* Grantees will be required to submit payment requests quarterly, but no more frequently than monthly. Payment

requests must include sufficient documentation that details each expense. Documentation may include, but is not limited to, copies of receipts or invoices.

2. Payment Schedule: Upon timely receipt of payment requests and documentation, TDA will approve reimbursement for up to 90% of the total grant award prior to submission of the Final Performance Report.

The remaining 10% will be disbursed once all reporting requirements have been met. These reports include, but are not limited to the Final Performance Report.

3. Eligible Expenses. Generally, expenses that are necessary and reasonable for proper and efficient performance and administration of a project are eligible. Examples of eligible expenditures are:

- a) Personnel costs – both salary and benefits; (Grant funds may be used for directly supporting salaries and wages of employees, but not for the value of your own services.)
- b) Contracts – agreements made with private parties to perform a portion of the award;
- c) Supplies and direct operating expenses – items that costs less than \$5,000 per unit with a useful life of less than one year that are directly related to the project activities;
- d) Other expenses – any expenses that do not fall into the above categories but are itemized on the approved project budget;
- e) Non-capitalized Equipment – nonexpendable, tangible personal property having a useful life of less than one year and an acquisition cost of less than \$5,000; and

4. Ineligible Expenses. Expenses that are prohibited by state or federal law are ineligible. Examples of these expenditures include, but are not limited to the following:

- a) Alcoholic beverages;
- b) Entertainment;
- c) Tips;
- d) Contributions, charitable or political;
- e) Expenses falling outside of the contract period (*expenses incurred before execution of the grant agreement by TDA or after 12/31/2016*);
- f) Expenses not listed in the project budget or that fail to meet the intent of the program;
- g) Value of applicant's own services;
- h) Land (except for lease expenses);
- i) Capitalized Equipment - Personal property or other capital items with a useful life of more than one year and a cost of more than \$5,000;
- j) Travel or meals; and
- k) Expenses that are not adequately documented.

5. Matching Funds— This grant requires the recipient to expend matching funds equal to or greater than the total grant award. Demonstration of planned expenditure of funds in excess of the minimum match amount will not impact the selection process. Expenditure of matching funds must be documented on applicant's budget and reported to TDA on a quarterly basis. Any reduction of expenditure of recipient's matching funds that fall below the minimum 1:1 threshold will result in a proportionate reduction in the grant award and must be approved in writing by TDA. For example, if the grant award is for \$10,000, grantee must expend at least \$20,000 on allowable costs, identified on the approved project budget, within the contract time period to be eligible for reimbursement of the full \$10,000 grant award.

6. Additional Budget Information. Applicant should provide additional information that will be helpful to the TAFA board in evaluating a grant application, including justification for equipment purchases, a list of subcontractors and amounts, a list of key personnel and salaries to be paid with the grant, and a description of other large expenditures.

7. Documentation of Employment Status. Applicant should be prepared to furnish documentation of lawful employment status for each employee included in personnel costs for the project.

Evaluation of Proposals

TDA will review the application to determine whether the applicant was responsive to the requirements of this RFA. The TAFA board will review and evaluate all applications. The board may consider other factors in making grant awards under the program, including, without limitation, the quality of the application, applicant's need for financial assistance, the project's ability to create, enhance, or sustain applicant's agricultural operation, the project's ability to improve overall agricultural productivity in Texas, the project's impact on the local community, and the project's ability to increase the number of agricultural enterprises in Texas that are owned and operated by young farmers.

Reporting Requirement

Approved projects will be required to submit periodic performance reports. Reporting timelines will be incorporated into the grant agreement. As part of TDA's ongoing monitoring of grant funds, grantees must demonstrate progress toward achieving project goals. Failure to comply with reporting requirements may result in the withholding of requests for reimbursement and/or termination of the award.

Performance Reports must be in a narrative format, no more than three (3) pages in length, and detail the accomplishments of the project objectives for that period.

The *Final Performance Report* is due sixty (60) days after project completion, or termination of the Grant Agreement, whichever occurs first. This report must be in a narrative format prescribed by TDA.

Deadline for Submission of Responses

The complete application packet including the proposal with signatures must be received by **Monday, October 20, 2014**. It is the applicant's responsibility to submit all materials necessary for evaluation early enough to ensure timely delivery. Electronic, hand-delivered or mailed applications must be **RECEIVED** by TDA by close of business (5:00 p.m.) on **Monday, October 20, 2014**. *Late or incomplete proposals will not be accepted. Applicants may not supplement or amend the application after the deadline.*

TDA will send an acknowledgement receipt by email indicating the application was received.

Contact Information

Complete proposal narrative and application with signature must be submitted to:

Physical Address:

Texas Department of Agriculture
Grants Office
1700 North Congress Avenue
Austin, Texas 78701

Mailing Address:

Texas Department of Agriculture
Grants Office
P.O. Box 12847
Austin, Texas 78711

Electronic Versions:

Fax: (888) 223-9048

Email: Grants@TexasAgriculture.gov

The e-mail subject line must contain the RFA title and applicant identification (Ex: Young Farmer Grants 2015 – Jane Smith). The respondent is solely responsible for ensuring that their complete application, regardless of method of delivery, is sent to, and actually received by, TDA in a timely manner and at the proper destination server.

IMPORTANT NOTE: TDA recommends a limit on the attachments to 10MB each. This may result in sending multiple e-mails for the submission of all documentation contained in a response. All submissions must be sent in Microsoft Word or other Word compatible format or as .PDF files. Unreadable submissions may be deemed unresponsive and will not be reviewed for funding consideration.

TDA takes no responsibility for electronic bids that are captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any TDA anti-virus or other security software.

For questions regarding submission of the proposal and/or TDA requirements, please contact the Grants Office at (512) 463-6908, or by email at Grants@TexasAgriculture.gov.

General Information

Selected applicants will receive a Notice of Grant Award (NGA) letter and an official Grant Agreement from TDA. The NGA is not legally binding until a grant agreement is fully executed.

TDA/TAFA reserves the right to fund projects partially or fully. TDA/TAFA reserves the right to negotiate individual elements of any proposal and to reject any and all proposals. Where more than one proposal is acceptable for funding, TDA/TAFA may request cooperation between grantees or revisions/adjustments to a proposal in order to avoid duplication and to realize the maximum benefit to the state. Selected projects will receive funding on a cost-reimbursement basis.

TDA/TAFA reserves the right to reject all applications and is not liable for costs incurred by the Applicant in the development, submission, or review of the application; costs incurred by the Applicant prior to the effective date of grant agreement.

Right to Amend or Terminate Program

TDA/TAFA reserves the right to alter, amend, or clarify any provisions, terms, or conditions of this program or any grant awarded as a result thereof, or to terminate this program at any time prior to the execution of an agreement, if TDA/TAFA deems any such action to be in the best interest of TDA/TAFA and of the State of Texas. The decision of TDA/TAFA will be administratively final in this regard.

Proprietary Information/Public Information

The Applicant is responsible for clearly designating any portion of the application that contains confidential, proprietary, trade secret, or other information exempt from disclosure under the Texas Public Information Act (TPIA) and must state the reason(s) the information is designated as such. Marking the entire application as confidential, proprietary, trade secret, or otherwise exempt from disclosure is not acceptable and may result in disclosure of the information. In the event that a public information request for the application is received, TDA shall review the information deemed confidential, proprietary, trade secret, or otherwise exempt from disclosure and submit a request for decision by the Office of the Attorney General for determination in accord with the TPIA, Chapter 552 of the Texas Government Code. Applicants are advised to consult with their legal counsel regarding disclosure issues and to take appropriate precautions to safeguard confidential, proprietary, trade secret, or other information that may be exempt from disclosure.

Unless specifically exempt from disclosure under the TPIA, all applications submitted under this program are subject to release under the TPIA.

Conflict of Interest

The Applicant is required to disclose any existing or potential conflicts of interest relative to this grant program. Failure to disclose any such relationship may result in the Applicant's disqualification or termination of any resulting grant agreement.

General Compliance Information

1. Grantees must comply with TDA's reporting requirements and financial procedures outlined in the grant agreement. Any delegation by the Grantee to a subcontractor regarding any duties and responsibilities imposed by the grant award must be approved in advance by TDA and shall not relieve the Grantee of its responsibilities to TDA for their performance.
2. All grant awards are subject to the availability of funds appropriated and authorized by the Texas Legislature.
3. Grantees must remain in full compliance with state and federal laws and regulations. Non-compliance may result in termination of the grant or ineligibility for reimbursement of expenses.
4. Grantees must keep a separate bookkeeping account with a complete record of all expenditures relating to the project. Records shall be maintained for three (3) years after the completion of the project, or as otherwise agreed upon with TDA. TDA and the Texas State Auditor's Office (SAO) reserve the right to examine all books, documents, records, and accounts relating to the project at any time throughout the duration of the agreement and for three years immediately following completion of the project. If any litigation, claim, negotiation, audit or other action is initiated prior to the expiration of the retention period, then the records must be retained until authorized by TDA. TDA and the SAO shall have access to the physical locations related to project activities.
5. If the Grantee has a financial audit performed during the time the Grantee is receiving funds from TDA, upon request, TDA shall have access to information about the audit, including the audit transmittal letter, management letter, and any schedules in which the Grantee's funds are included.
6. Grantees must comply with Texas Government Code, Chapter 783, Uniform Grant and Contract Management, and the Uniform Grant Management Standards (UGMS), 2 CFR 215, 2 CFR 220, 2 CFR 225, and 2 CFR 230, if applicable.